

**Department of Legislative Services**  
 Maryland General Assembly  
 2009 Session

**FISCAL AND POLICY NOTE**

House Bill 1552 (Delegate Conway, *et al.*)  
 Health and Government Operations

**Developmental Disabilities - Holly Center - Community Resource Center Pilot Program**

This bill requires the Department of Health and Mental Hygiene (DHMH) to implement a community resource center pilot program at Holly Center. The purpose of the program is to encourage and promote appropriate and cost-effective use of the center, as well as improve the well-being of residents of the Eastern Shore and, to the extent practicable, developmentally disabled State residents. By December 1, 2010, DHMH must report to the General Assembly on the number of individuals receiving respite care; the cost of providing the care; and the number of staff providing the care. By December 1, 2012, DHMH must report to the General Assembly on the services provided by the program, their costs, and the staff involved in the program.

The bill takes effect June 1, 2009, and terminates May 31, 2014.

**Fiscal Summary**

**State Effect:** General fund expenditures increase by \$1.6 million in FY 2010 to hire 30 employees to provide additional respite services, training, and research at the Holly Center beginning October 1, 2009, and to implement a community resource pilot program at the center beginning January 1, 2010. Future years reflect annualization and inflation, and the termination of the program and additional respite services on May 31, 2014. No effect on revenues.

(\$ in millions)	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014
Revenues	\$0	\$0	\$0	\$0	\$0
GF Expenditure	1.6	1.7	1.8	1.8	1.8
Net Effect	(\$1.6)	(\$1.7)	(\$1.8)	(\$1.8)	(\$1.8)

*Note:() = decrease; GF = general funds; FF = federal funds; SF = special funds; - = indeterminate effect*

**Local Effect:** Operational impact on local public services that may receive additional referrals from the pilot program.

**Small Business Effect:** Potential impact on small businesses that may receive referrals from the pilot program.

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## Analysis

**Bill Summary:** The community resource center pilot program may not take the place of the residential services provided by the Holly Center.

By October 1, 2009, the program must:

- provide respite care for families caring for developmentally disabled individuals in their homes;
- partner with local colleges and universities to provide educational and training opportunities regarding the treatment, habilitation, and care of developmentally disabled individuals in the community;
- train the staff of community service providers and community-based clinicians that serve developmentally disabled individuals; and
- serve as an academic center for patient-centered research that focuses on solving medical and dental problems affecting developmentally disabled individuals.

By January 1, 2010, the program must provide health and referral services to developmentally disabled individuals who have difficulty obtaining the services in the community including behavior intervention services, dental services, job training and educational services, medical services, nursing services, physical management clinics, psychiatric services, and therapeutic recreational clinics.

**Current Law:** A developmental disability is a condition attributable to a mental or physical impairment that manifests before the age of 22, results in substantial functional limitations in major life activities, and is likely to continue indefinitely.

State residential centers are overseen by the Departmental Disabilities Administration (DDA) within DHMH. DDA operates four residential centers: Rosewood (in Owings Mills); Potomac (in Hagerstown); Joseph D. Brandenburg (in Cumberland); and Holly Center (in Salisbury). Rosewood is scheduled to close on June 30, 2009.

Chapter 178 of 2004 (as amended by Chapter 477 of 2007) requires State residential centers to provide respite care to individuals with developmental disabilities whose families are caring for them in their home.

Beginning in fiscal 2006, the Holly Center, Potomac Center, and Brandenburg Center are required to each reserve up to 4% of their total beds for respite care; the Rosewood Center is required to reserve between 2% and 4% of its total beds for respite care. Families caring for individuals with developmental disabilities in their homes must have a choice of obtaining respite care in a State residential center or a community setting. These respite care requirements are scheduled to terminate September 30, 2009.

The annual budget must include a general fund appropriation for the purpose of providing respite care in a State residential center or community setting. Any appropriation may not supplant funds already budgeted for respite care, and no funds may be transferred from community services to pay for respite care provided in a State residential center.

**Background:** The Holly Center, in Salisbury, Maryland, is a State residential center that provides habilitative services to individuals with mental retardation who are admitted to the facility, while working to integrate them into less restrictive settings in the community. Services provided include 24-hour residential care, treatment, and support. The center operates with 150 beds.

DDA advises that, as of January 1, 2009, there were 1,218 people on the Eastern Shore of Maryland on the community services waiting list.

**State Fiscal Effect:** General fund expenditures increase by \$1.6 million in fiscal 2010 to hire 30 employees to (1) provide additional respite services to families caring for DDA individuals and training and research at the Holly Center beginning October 1, 2009; and (2) implement a community resource pilot program that provides and makes referrals for the required services to an estimated 1,218 developmentally disabled persons on the community services waiting list on the Eastern Shore beginning January 1, 2010. Although many of the services do not start until January 1, 2010, the estimate includes the hiring of all 30 employees on October 1, 2009, to provide respite services, training, and research and to prepare for the January, 2010 timeline for the implementation of the rest of the services.

The estimate includes six direct care assistants and one developmental disability assistant to provide the respite care. The estimate also includes a variety of health professionals, administrative staff, and an educational coordinator to conduct the training and research at the center and to provide direct care services and referrals to DDA individuals. The estimate includes full salaries, fringe benefits, one-time start-up costs, and ongoing operating expenses. DDA advises that the Holly Center has space available for program operations.

Positions	30
Salaries and Fringe Benefits	\$1,199,870
Operating Expenses	28,350
Start-up Costs	341,930
<b>Total FY 2010 Expenditures</b>	<b>\$1,570,150</b>

Future year expenditures reflect full salaries with 4.4% annual increases, 3% employee turnover, 1% increases in ongoing operating expenses, and the termination of the bill on May 31, 2014.

The bill will have an operational impact on local colleges and universities that partner with the program, but any expenses are expected to be borne by the program itself. DDA can submit the required reports with existing resources.

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### **Additional Information**

**Prior Introductions:** None.

**Cross File:** None.

**Information Source(s):** Kent, Talbot, and Worcester counties; Maryland Higher Education Commission; Department of Health and Mental Hygiene; Department of Legislative Services

**Fiscal Note History:** First Reader - March 24, 2009  
mcp/mwc

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